

1 **SCHOOL AND INSTITUTIONAL TRUST**
2 **LANDS AMENDMENTS**
3 2010 GENERAL SESSION
4 STATE OF UTAH
5 **Chief Sponsor: Kenneth W. Sumsion**
6 Senate Sponsor: _____

8 **LONG TITLE**

9 **General Description:**

10 This bill appropriates money from the Land Grant Management Fund to the Office of
11 the Attorney General for certain purposes.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ creates a separate line item in the attorney general's budget for certain legal
- 15 purposes;
- 16 ▶ appropriates money from the Land Grant Management Fund to fund the legal
- 17 challenge of certain actions; and
- 18 ▶ makes technical changes.

19 **Monies Appropriated in this Bill:**

20 This bill appropriates:

- 21 ▶ as an ongoing appropriation subject to future budget constraints, \$1,000,000 from
- 22 the Land Grant Management Fund for the fiscal year 2010-11 to the Office of the
- 23 Attorney General.

24 **Other Special Clauses:**

25 None

26 **Utah Code Sections Affected:**

27 AMENDS:



28 **53C-3-101**, as last amended by Laws of Utah 2004, Chapter 349

29

30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section **53C-3-101** is amended to read:

32 **53C-3-101. Land Grant Management Fund -- Contents -- Use of monies.**

33 (1) (a) There is created an enterprise fund known as the Land Grant Management Fund.

34 (b) This fund shall consist of:

35 (i) all revenues derived from trust lands except revenues from the sale of those lands;

36 (ii) all interest earned by the fund;

37 (iii) all revenues deposited in the fund in accordance with Subsection 41-22-19(3); and

38 (iv) all revenues obtained from other activities of the director or administration.

39 (2) The director may expend monies:

40 (a) from the Land Grant Management Fund in accordance with the approved budget for
41 the support of director and administration activities; and

42 (b) deposited in the fund in accordance with Subsection 41-22-19(3) as necessary to
43 fulfill the purposes of Subsection 41-22-19(3)(b).

44 (3) Except for revenues deposited under Subsection (1)(b)(iii), any amount in excess of
45 that required to fund the budget and for the purposes designated in Subsection (7) shall be
46 distributed to the various trust beneficiaries as of June 30 of each calendar year, and at other
47 times determined by the director, in shares equal to the portion of total Land Grant
48 Management Fund revenues obtained from each beneficiary's land during the accounting
49 period.

50 (4) Money from the lease or rental of school trust lands or from the use, sale, or lease
51 of resources on school trust lands, all sums paid for fees, including grazing fees, and all
52 forfeitures or penalties received in connection with those transactions shall be deposited in the
53 Permanent State School Fund established by Utah Constitution, Article X, Section 5.

54 (5) Money from the lease or rental of lands acquired by the state for the benefit of an
55 institution named in Sections 7, 8, and 12 of the Utah Enabling Act, or from the use, sale, or
56 lease of renewable or nonrenewable resources on those lands, and all forfeitures or penalties
57 received in connection with those transactions, shall be distributed to the institution.

58 (6) Except for revenues deposited under Subsection (1)(b)(iii), any remaining monies,

59 including interest earned on the account, shall be distributed in pro rata shares to the various
60 beneficiaries.

61 (7) There is created a separate line item in the Office of the Attorney General budget,
62 funded from the Land Grant Management Fund, to represent the state on legal actions as
63 authorized by statute to facilitate the state's ability to manage the School and Institutional Trust
64 Lands consistent with the state's fiduciary responsibilities towards the beneficiaries of the trust
65 lands.

66 (8) Each year, the attorney general shall report to the Natural Resources Appropriations
67 Subcommittee by December 31, and the Education Interim Committee by the November
68 Interim meeting on the budget line item created in Subsection (7), including:

- 69 (a) expenditures from the line item and the remaining balance; and
70 (b) the status of any actions that could potentially warrant use of available funds.

71 **Section 2. Appropriation.**

72 As an ongoing appropriation subject to future budget constraints, there is appropriated
73 from the Land Grant Management Fund for fiscal year 2010-11, \$1,000,000 to the Office of the
74 Attorney General to fund School and Institutional Trust Lands related legal actions as required
75 by statute.

Legislative Review Note
as of 2-8-10 5:55 PM

Office of Legislative Research and General Counsel

H.B. 323 - School and Institutional Trust Lands Amendments

Fiscal Note

2010 General Session
State of Utah

State Impact

This bill appropriates \$1 million from the Land Grant Management Fund to the Attorney General's Office. Enactment of this bill will reduce the revenues going into the Permanent School Fund by \$1 million and the potential interest and dividends earned by \$18,400 per year.

	FY 2010	FY 2011	FY 2012	FY 2010	FY 2011	FY 2012
	<u>Approp.</u>	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>
Restricted Funds	\$0	\$1,000,000	\$1,000,000	\$0	(\$1,018,400)	(\$1,018,400)
Total	\$0	\$1,000,000	\$1,000,000	\$0	(\$1,018,400)	(\$1,018,400)

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.